

## **IC 27-13-6**

### **Chapter 6. Quality Management Programs**

#### **IC 27-13-6-1**

##### **Procedures; establishment**

Sec. 1. (a) A health maintenance organization shall establish procedures based on professionally recognized standards to assess and monitor the health care services provided to enrollees of the organization.

(b) The procedures established under this section must include mechanisms to implement corrective action when necessary and to assess the availability, accessibility, and continuity of care.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-2**

##### **Internal quality management program required**

Sec. 2. A health maintenance organization shall have an ongoing internal quality management program to monitor and evaluate the health care services it provides, including:

- (1) primary and specialist physician services; and
- (2) ancillary and preventive health care services;

across all institutional and noninstitutional settings.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-3**

##### **Quality management program requirements**

Sec. 3. The quality management program required by section 2 of this chapter must include at least the following:

- (1) A written statement of the scope and purpose of the health maintenance organization's quality management program, including a written statement of goals and objectives that emphasizes improved health status in evaluating the quality of care rendered to enrollees.
- (2) The organizational structure responsible for quality management activities.
- (3) Any contractual arrangements, when appropriate, for delegation of quality management activities.
- (4) Confidentiality of policies and procedures.
- (5) A system of ongoing evaluation activities.
- (6) A system of focused evaluation activities.
- (7) A system for credentialing providers and performing peer review activities.
- (8) Duties and responsibilities of the designated physician responsible for the quality management activities.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-4**

##### **Written statement of quality management activities**

Sec. 4. The quality management program required by section 2 of this chapter must contain a written statement describing the system

of ongoing quality management activities, including the following:

- (1) Problem assessment, identification, selection, and study.
- (2) Corrective action, monitoring, evaluation, and reassessment.
- (3) Interpretation and analysis of patterns of care rendered to individual patients by individual providers.
- (4) Comparison between patterns of care, including outcomes, rendered to patients by providers and the cost to the health maintenance organization of that care.
- (5) A written statement describing the system of focused quality assurance activities based on representative samples of the enrolled population that identifies method of topic selection, study, data collection, analysis, interpretation, and report format.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-5**

##### **Written plans for correcting insufficient service**

Sec. 5. The quality management program required by section 2 of this chapter must contain written plans for taking appropriate corrective action whenever the quality management program determines that:

- (1) inappropriate or substandard services have been provided;  
or
- (2) services that should have been provided were not provided.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-6**

##### **Patient record system**

Sec. 6. A health maintenance organization shall ensure the use and maintenance of an adequate patient record system that will facilitate:

- (1) documentation and retrieval of clinical information to enable the health maintenance organization to evaluate continuity and coordination of patient care; and
- (2) the assessment of the quality of health and medical care provided to enrollees.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-7**

##### **Reporting quality management program activities**

Sec. 7. A health maintenance organization shall establish a mechanism for periodic reporting of quality management program activities to the governing body, providers, and appropriate staff of the organization.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-8**

##### **Records of proceedings; confidentiality**

Sec. 8. A health maintenance organization shall:

- (1) record the proceedings of formal quality management program activities; and

- (2) maintain its documentation of the quality management program in a confidential manner.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-9**

##### **Inspection of records by commissioner**

Sec. 9. The commissioner may inspect the records of a health maintenance organization's quality management program. The health maintenance organization shall cooperate with the inspections by making available to the commissioner the records requested by the commissioner, while protecting the confidentiality of enrollee medical records.

*As added by P.L.26-1994, SEC.25.*

#### **IC 27-13-6-10**

##### **Hospital accreditation**

Sec. 10. (a) A health maintenance organization may not refuse to enter into an agreement with a hospital solely because the hospital has not obtained accreditation from an accreditation organization that:

- (1) establishes standards for the organization and operation of hospitals;
- (2) requires the hospital to undergo a survey process for a fee paid by the hospital; and
- (3) was organized and formed in 1951.

(b) This section does not prohibit a health maintenance organization from using performance indicators or quality standards that:

- (1) are developed by private organizations; and
- (2) do not rely upon a survey process for a fee charged to the hospital to evaluate performance.

*As added by P.L.259-1995, SEC.3.*